

ND ASSOCIATION OF COUNTIES FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2008

	August-08				July-08				Current FYTD	Prior Year FY08	3 Years Ended 6/30/2008	5 Years Ended 6/30/2008
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY												
Structured Growth												
Los Angeles Capital	50,822	4.6%	4.4%	-0.56%	49,409	4.4%	4.4%	-1.18%	-1.73%	-7.79%	7.68%	N/A
Total Structured Growth	50,822	4.6%	4.4%	-0.56%	49,409	4.4%	4.4%	-1.18%	-1.73%	-7.79%	7.68%	9.56%
Russell 1000 Growth				1.08%				-1.90%	-0.84%	-5.96%	5.91%	7.32%
Structured Value												
LSV	46,184	4.1%	4.4%	1.61%	43,931	4.0%	4.4%	-0.58%	1.02%	-21.43%	3.81%	11.57%
Russell 1000 Value				1.70%				-0.36%	1.33%	-18.78%	3.53%	8.92%
Russell 1000 Enhanced Index												
LA Capital	99,589	8.9%	8.9%	0.76%	95,553	8.6%	8.9%	-2.05%	-1.30%	-9.54%	6.97%	N/A
Russell 1000				1.38%				-1.16%	0.20%	-12.36%	4.81%	
S&P 500 Enhanced Index												
Westridge	103,106	9.2%	8.9%	1.58%	98,140	8.8%	8.9%	-0.73%	0.85%	-12.18%	4.98%	N/A
S&P 500				1.45%				-0.84%	0.59%	-13.12%	4.41%	
Index												
State Street	33,118			0.31%	31,916			-1.16%	-0.85%	-18.24%	2.93%	6.64%
Total 130/30	33,118	3.0%	3.0%	0.31%	31,916	2.9%	3.0%	-1.16%	-0.85%	-18.24%	2.93%	6.64%
S&P 500				1.45%				-0.84%	0.59%	-13.12%	4.41%	7.59%
TOTAL LARGE CAP DOMESTIC EQUITY	332,818	29.8%	29.7%	0.88%	318,949	28.7%	29.7%	-1.22%	-0.35%	-12.71%	5.68%	9.31%
S&P 500				1.45%				-0.84%	0.59%	-13.12%	4.41%	7.59%
SMALL CAP DOMESTIC EQUITY												
Manager-of-Managers												
SEI	66,880	6.0%	6.0%	2.40%	64,149	5.8%	6.0%	0.99%	3.41%	-20.93%	2.06%	9.10%
Russell 2000 + 200bp				3.78%				3.87%	7.79%	-14.48%	5.88%	12.50%
Enhanced												
Research Affiliates	71,002	6.4%	6.0%	3.55%	67,314	6.1%	6.0%	2.98%	N/A	N/A	N/A	N/A
Russell 2000				3.61%				3.70%	7.45%	-16.19%		
TOTAL SMALL CAP DOMESTIC EQUITY	137,882	12.4%	12.1%	2.99%	131,463	11.8%	12.1%	1.97%	5.02%	-21.14%	1.97%	9.04%
Russell 2000				3.61%				3.70%	7.45%	-16.19%	3.79%	10.29%
INTERNATIONAL EQUITY												
Large Cap - Active												
Capital Guardian	58,254	5.2%	5.3%	-3.83%	56,298	5.1%	5.3%	-4.00%	-7.68%	-12.37%	12.24%	14.35%
LSV	58,676	5.3%	5.3%	-1.07%	55,151	5.0%	5.3%	-2.50%	-3.55%	-25.78%	7.37%	N/A
Total Large Cap - Active	116,930	10.5%	10.6%	-2.47%	111,449	10.0%	10.6%	-3.27%	-5.66%	-19.29%	9.83%	13.46%
MSCI EAFE - 50% Hedged				-1.59%				-2.64%	-4.19%	-15.14%	10.93%	14.67%
Small Cap - Value												
DFA	13,620	1.2%	1.3%	-3.22%	13,095	1.2%	1.3%	-4.44%	N/A	N/A	N/A	N/A
Total Small Cap Value	13,620	1.2%	1.3%	-3.22%	13,095	1.2%	1.3%	-4.44%	-7.52%	-12.74%	9.30%	17.27%
S&P/Citigroup Broad Market Index < \$2BN				-5.40%				-4.30%	-9.47%	-25.49%	7.39%	17.33%
Small Cap - Growth												
Vanguard	13,227	1.2%	1.3%	-5.82%	12,739	1.1%	1.3%	-5.82%	-11.30%	-17.52%	11.77%	20.18%
Citigroup Broad Market Index < \$2BN				-5.40%				-4.30%	-9.47%	-25.49%	7.39%	17.33%
TOTAL INTERNATIONAL EQUITY	143,776	12.9%	13.3%	-2.85%	137,283	12.3%	13.3%	-3.62%	-6.37%	-18.83%	9.79%	14.56%
MSCI EAFE - 50% Hedged				-1.59%				-2.64%	-4.19%	-15.14%	10.93%	14.67%

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	Market Value	Allocation	Month	Net ROR	Market Value	Allocation	Month	Net ROR	FYTD	FY08	Ended	Ended
		Actual	Policy			Actual	Policy		Net	Net	6/30/2008	6/30/2008
											Net	Net
DOMESTIC FIXED INCOME												
Core Bond												
Western Asset	134,175	12.0%	12.4%	1.03%	139,074	12.5%	12.4%	-1.78%	-0.76%	2.06%	2.76%	3.55%
<i>Lehman Aggregate</i>				0.95%				-0.08%	0.87%	7.12%	4.09%	3.86%
Mortgage Backed												
Hyperion	25,811	2.3%	3.2%	-10.70%	30,490	2.7%	3.2%	-8.02%	-17.87%	-20.24%	N/A	N/A
<i>Lehman Global Aggregate (US Securitized Portion)</i>				-0.46%				-0.06%	-0.52%	10.14%		
Core Plus/Enhanced												
<i>Clifton Group</i>	39,608	3.6%	3.2%	1.11%	40,926	3.7%	3.2%	0.45%	1.56%	10.17%	N/A	N/A
<i>Prudential</i>	39,274	3.5%	3.2%	0.71%	40,800	3.7%	3.2%	-0.24%	0.46%	4.89%	N/A	N/A
Total Core Plus/Enhanced	78,883	7.1%	6.4%	0.91%	81,726	7.4%	6.4%	0.10%	1.01%	7.55%	N/A	N/A
<i>Lehman Aggregate</i>				0.95%				-0.08%	0.87%	7.12%		
Index												
Bank of ND	68,988	6.2%	5.6%	1.06%	71,472	6.4%	5.6%	0.07%	1.14%	7.68%	3.93%	3.28%
<i>Lehman Gov/Credit (1)</i>				0.92%				0.00%	0.92%	7.24%	3.84%	3.24%
BBB Average Quality												
Wells Capital (formerly Strong)	137,145	12.3%	12.4%	0.83%	142,511	12.8%	12.4%	-0.59%	0.24%	3.55%	3.04%	3.85%
<i>Lehman US Credit BAA</i>				0.80%				-0.67%	0.13%	2.62%	2.52%	3.59%
TOTAL DOMESTIC FIXED INCOME	445,001	39.9%	40.0%	0.19%	465,273	41.9%	40.0%	-1.24%	-1.06%	2.32%	3.89%	5.04%
<i>Lehman Aggregate (2)</i>				0.95%				-0.08%	0.87%	7.12%	4.09%	3.73%
CASH EQUIVALENTS												
Bank of ND	56,126	5.0%	5.0%	0.17%	58,776	5.3%	5.0%	0.16%	0.33%	3.43%	4.10%	3.38%
<i>90 Day T-Bill</i>				0.16%				0.18%	0.33%	3.63%	4.27%	3.18%
TOTAL NDACo FUND	1,115,603	100.0%	100.0%	0.34%	1,111,744	100.0%	100.0%	-1.09%	-0.75%	-7.78%	4.24%	6.42%
POLICY TARGET BENCHMARK				1.04%				-0.18%	0.86%	-5.04%	4.76%	6.34%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.